



STATE BOARD OF EQUALIZATION

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February 15, 1990

No. 90/12

TO INTERESTED PARTIES:

RULE 324, DECISION

On February 6, 1990, the State Board of Equalization held a public hearing on Property Tax Rule 324, Decision. In response to public comment, the staff proposes further changes to rule 324.

Subdivision (a) is amended to change the wording from "taxable value shall be supported by the weight of the evidence" to the words "taxable value shall be supported by a preponderance of the evidence".

In accordance with Government Code Section 11346.8(c), the changed version of rule 324 is being placed in the rulemaking file and mailed today to interested parties that commented orally or in writing or that asked to be informed of such revisions. If you wish to review the rulemaking file, it is available for your inspection in Room 134 at this address.

Comments received by March 5, 1990, will be before the Board when the Board considers adoption of the changed version. Please mail comments to this address to the attention of Janice Masterton, Regulations Coordinator.

If you have questions regarding the content of the regulation, please call Robert Keeling at (916) 323-7713.

Sincerely,

Cindy Rambo
Executive Director

CR:md
0021R/38
Attachment

Rule 324. Decision

(a) Determination of Taxable Value.

Acting upon the evidence properly before it, the board shall determine the taxable value of the property, including both real and personal property, which is the subject of the hearing. The determination of the taxable value shall be supported by ~~the weight~~ [a preponderance] of the evidence presented during the hearing. The board shall consider evidence of value derived by the use of any of the valuation methods described in section 3 of this chapter. It shall determine whether the method(s) used was (were) properly applied, considering the type of property assessed and any governmentally imposed land use restrictions, by examining the factual data, the presumptions, and the estimates relied upon.

(b) Jurisdiction

The board's authority to determine the taxable value of property, while limited by the laws of this state and the laws of the United States and usually exercised in response to an application for equalization, is not predicated on the filing of an application nor limited by the applicant's request for relief.

When an application for review includes only a portion of an appraisal unit, whether real property, personal property, or both, the board may nevertheless determine the taxable value of other portions that have undergone a change in ownership, new construction or a decrease in value. Additionally, the board shall, on its own motion or at the assessor's request, determine the market value of the entire appraisal unit whenever that is necessary to the determination of the market value of any portion thereof.

An appraisal unit of property is a collection of assets that function together and that commonly sell as a unit or that are specifically designated as such by law.

(c) Valuation Principles.

The board shall be bound by the same principles of valuation that are legally applicable to the assessor.

(d) Comparable Sales.

When valuing a property by a comparison with sales of other properties, the board may consider those sales which, in its judgment, involve properties similar in size, quality, age,

condition, utility, amenities, site location, legally permitted use, or other physical attributes to the property being valued. When valuing property for purposes of either the regular roll or the supplemental roll, the board shall not consider a sale if it occurred more than 90 days after the date for which value is being estimated. The board shall presume that zoning or other legal restrictions, of the types described in Revenue and Taxation Code section 402.1, on the use of either the property sold or the property being valued will not be removed or substantially modified in the predictable future unless sufficient grounds as set forth in that section are presented to the board to overcome that presumption.

(e) Findings of Fact.

When written findings of fact are made, they shall fairly disclose the board's findings on all material points raised in the application and at the hearing. The findings shall also include a statement of the method or methods of valuation used in determining the full cash value of the property, and shall be made timely after the hearing.

References: Article XIII A, California Constitution, Section
15606 Government Code, Section 402.1, 402.5, 1609, 1611.5,
Revenue and Taxation Code.

Authority: Section 15606 Government Code.

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